

CIA 101 TURNER, Adm.

CIA 4 USSR (economy)

ORGR Commonwealth Club

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Soviet Economy Said Unwell

SAN FRANCISCO, Aug. 5 (AP)—CIA Director Stansfield Turner said today the Soviet economy is in trouble.

Details will be made public in Washington next week, the admiral said in his first speech since being named Thursday by President Carter to control all the nation's intelligence-gathering agencies.

Speaking at a luncheon of the 13,000-member Commonwealth Club, Turner said the CIA estimates "that Soviet production of oil will fall markedly in about 1980 . . . this will have a major impact on the world's economy."

He said Russia's economic troubles hinge in part on its oil problems and on "demographic factors which are going to slow the rate of growth of the labor force."

He went on, "In neither case . . . are we predicting that the Soviets' economic problems are insurmountable; what we're simply saying is that some of the characteristics of the Soviet economy—its rigidity, its adherence to a false economic philosophy, some of the indicators of its performance in the recent past—lead us to believe that the Soviet leadership is going to be facing some very difficult periods."